To: Montgomery, Michael[Montgomery.Michael@epa.gov]; Engelman,

Alexa[ENGELMAN.ALEXA@EPA.GOV]

Cc: Albright, David[Albright.David@epa.gov]; Dermer, Michele[Dermer.Michele@epa.gov]

From: Moffatt, Brett

Sent: Fri 5/8/2015 6:18:37 PM

Subject: RE: Chronicle: Groups sue to stop oil company injections into ground water

Exempt Attorney-Client Communication

Ex. 5 - Attorney Client

Brett

Brett Moffatt

US EPA, Region 9

(415) 972-3946

From: Montgomery, Michael

Sent: Friday, May 08, 2015 9:58 AM **To:** Moffatt, Brett; Engelman, Alexa **Cc:** Albright, David; Dermer, Michele

Subject: FW: Chronicle: Groups sue to stop oil company injections into ground water

Ex. 5 - Attorney Client

From: Mogharabi, Nahal

Sent: Thursday, May 07, 2015 2:30 PM

To: Diamond, Jane; Blumenfeld, Jared; Montgomery, Michael; Albright, David; Strauss, Alexis;

Rao, Kate; Zito, Kelly; Keener, Bill; Maier, Brent; Skadowski, Suzanne

Subject: Chronicle: Groups sue to stop oil company injections into ground water

Groups sue to stop oil company injections into ground water

David R. Baker | May 7, 2015

Two environmental groups sued California regulators on Thursday to stop oil companies from injecting waste water into potentially usable aquifers beneath the state's drought-ravaged Central Valley.

The suit, filed by the Sierra Club and the Center for Biological Diversity, claims the California agency that oversees oil fields is breaking the law by letting companies pump waste water from their drilling operations into aquifers that the regulators were supposed to protect. The injections were the subject of a Chronicle investigation in February.

The state's Divison of Oil, Gas and Geothermal Resources (DOGGR) has moved to end the practice but has given oil companies until 2017 to shut down many of the injection wells. Environmentalists want all the wells closed immediately. The groups sued Thursday to overturn newly adopted regulations from the division that allow the continued injections.

"California has a drought, and we need to protect all the potential sources of drinking water we have, and DOGGR is allowing the continued pollution of aquifers," said Will Rostov, a staff attorney for Earthjustice, which filed the suit on behalf of the environmental groups. "We want them to comply with the law, and the law is pretty clear — no more injections."

The division declined to comment on the lawsuit.

The suit follows revelations that the division for years allowed oil companies to inject billions of barrels of water left over from oil pumping operations into aquifers that could have been used for drinking or irrigation. So far, no drinking-water wells have been found to be contaminated by the injections.

California's oil reservoirs contain large amounts of salty water that must be separated from the petroleum and disposed of, usually by pumping it back underground. In 176 cases, the division let companies inject this "produced water" into high-quality aquifers — potentially clean enough to drink — that were supposed to be protected under federal law. Another 356 injection wells went into aquifers whose water could have been used with more extensive treatment.

In addition, the division improperly issued permits for about 2,000 wells that are pumping water or steam into aquifers that also contain oil, as a way of squeezing more petroleum out of the ground.

The injections angered federal and state officials, and the division's newly installed director, Steven Bohlen, promised to end them. Twenty three injection wells believed to pose the greatest risk to drinking water supplies have already been shut.

For the rest, however, the division set up a two-year closure schedule, with some allowed to operate until Feb. 15, 2017.

That long lead time will give oil companies a chance to convince both the division and the U.S. Environmental Protection Agency that some of the aquifers — particularly those that also contain oil — should be considered suitable places either to dump produced water or inject steam to extract the petroleum. The EPA has the authority to declare an aquifer exempt from the federal Safe Drinking Water Act, making it eligible for waste-water injections.

"If they haven't (already) been exempted from the Safe Drinking Water Act, the presence of economically recoverable oil makes them strong candidates for exemption," Bohlen told California legislators at a hearing in March. "Water that comes mixed with oil is not something we want people drinking."

Some aquifers, however, aren't likely to receive an EPA exemption. In those cases, the 2017 deadline will give oil companies time to find other ways to get rid of their produced water, either by injecting it into one of the aquifers that the EPA has already declared exempt or by treating it on the surface.

The environmental groups want the injection wells shut now, while the oil companies apply to make some of the aquifers exempt.

"The division is doing it backwards, and that's the point of this complaint," Rostov said.

http://m.sfgate.com/business/article/Groups-sue-to-stop-oil-company-injections-into-6248941.php

Nahal